



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB3005

Introduced 1/20/2006, by Sen. Cheryl Axley - Dale E. Risinger - Dan Cronin - William E. Peterson - Adeline Jay Geo-Karis, et al.

SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-3 new
35 ILCS 110/3-3 new
35 ILCS 115/3-3 new
35 ILCS 120/2-3 new

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning February 1, 2006 and through April 30, 2006, no tax is imposed under those Acts upon the use or sale of certain energy-efficient products. Authorizes and encourages units of local government that impose use and occupation taxes to declare a similar tax holiday. Effective immediately.

LRB094 18931 BDD 54379 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 10. The Use Tax Act is amended by adding Section
5 3-3 as follows:

6 (35 ILCS 105/3-3 new)

7 Sec. 3-3. Tax holiday; energy-efficient products.

8 (a) No tax is imposed under this Act upon the privilege of
9 using, in this State, energy-efficient products for
10 residential use if those products are purchased during the
11 tax-holiday period, which begins at 12:01 a.m. on February 1,
12 2006 and ends at 11:59 p.m. on April 30, 2006.

13 For the purposes of this Section, "energy-efficient
14 products" means products that are entitled to and carry the
15 Energy Star label under the Energy Star program administered by
16 the federal government, such as windows, insulation, roof
17 products, residential lamps and lights, transformers, heating
18 and cooling equipment, clothes washers, dehumidifiers,
19 dishwashers, refrigerators, freezers, room air conditioners,
20 ceiling fans, programmable thermostats, ventilating fans, and
21 compact fluorescent bulbs.

22 (b) Any discount, coupon, or other credit offered either by
23 the retailer or by a vendor of the retailer to reduce the final
24 price to the customer shall be taken into account in
25 determining the selling price of the item for purposes of this
26 tax holiday. For purposes of this Section, a "purchase" occurs
27 during the tax holiday if the buyer places an order and pays
28 the purchase price by cash or credit during the tax holiday
29 period regardless of whether the delivery of the item occurs
30 after the tax holiday period.

31 (c) Each unit of local government that imposes a use tax
32 may, by resolution or ordinance, declare a tax holiday with

1 respect to its tax for the same items, during the same periods,
2 and under the same conditions and is encouraged to do so.

3 Section 15. The Service Use Tax Act is amended by adding
4 Section 3-3 as follows:

5 (35 ILCS 110/3-3 new)

6 Sec. 3-3. Tax holiday; energy-efficient products.

7 (a) No tax is imposed under this Act upon the privilege of
8 using, in this State, energy-efficient products for
9 residential use if those products are acquired as an incident
10 of a service that is purchased from a serviceman during the
11 tax-holiday period, which begins at 12:01 a.m. on February 1,
12 2006 and ends at 11:59 p.m. on April 30, 2006.

13 For the purposes of this Section, "energy-efficient
14 products" means products that are entitled to and carry the
15 Energy Star label under the Energy Star program administered by
16 the federal government, such as windows, insulation, roof
17 products, residential lamps and lights, transformers, heating
18 and cooling equipment, clothes washers, dehumidifiers,
19 dishwashers, refrigerators, freezers, room air conditioners,
20 ceiling fans, programmable thermostats, ventilating fans, and
21 compact fluorescent bulbs.

22 (b) Any discount, coupon, or other credit offered either by
23 the retailer or by a vendor of the retailer to reduce the final
24 price to the customer shall be taken into account in
25 determining the selling price of the item for purposes of this
26 tax holiday. For purposes of this Section, a "purchase" occurs
27 during the tax holiday if the buyer places an order and pays
28 the purchase price by cash or credit during the tax holiday
29 period regardless of whether the delivery of the item occurs
30 after the tax holiday period.

31 (c) Each unit of local government that imposes a use tax
32 may, by resolution or ordinance, declare a tax holiday with
33 respect to its tax for the same items, during the same periods,
34 and under the same conditions and is encouraged to do so.

1 Section 20. The Service Occupation Tax Act is amended by
2 adding Section 3-3 as follows:

3 (35 ILCS 115/3-3 new)

4 Sec. 3-3. Tax holiday; energy-efficient products.

5 (a) No tax is imposed under this Act upon the transfer of
6 energy-efficient products for residential use if those
7 products are transferred as an incident of a service that is
8 purchased from a serviceman during the tax-holiday period,
9 which begins at 12:01 a.m. on February 1, 2006 and ends at
10 11:59 p.m. on April 30, 2006.

11 For the purposes of this Section, "energy-efficient
12 products" means products that are entitled to and carry the
13 Energy Star label under the Energy Star program administered by
14 the federal government, such as windows, insulation, roof
15 products, residential lamps and lights, transformers, heating
16 and cooling equipment, clothes washers, dehumidifiers,
17 dishwashers, refrigerators, freezers, room air conditioners,
18 ceiling fans, programmable thermostats, ventilating fans, and
19 compact fluorescent bulbs.

20 (b) Any discount, coupon, or other credit offered either by
21 the retailer or by a vendor of the retailer to reduce the final
22 price to the customer shall be taken into account in
23 determining the selling price of the item for purposes of this
24 tax holiday. For purposes of this Section, a "purchase" occurs
25 during the tax holiday if the buyer places an order and pays
26 the purchase price by cash or credit during the tax holiday
27 period regardless of whether the delivery of the item occurs
28 after the tax holiday period.

29 (c) Each unit of local government that imposes a use tax
30 may, by resolution or ordinance, declare a tax holiday with
31 respect to its tax for the same items, during the same periods,
32 and under the same conditions and is encouraged to do so.

33 Section 25. The Retailers' Occupation Tax Act is amended by

1 adding Section 2-3 as follows:

2 (35 ILCS 120/2-3 new)

3 Sec. 2-3. Tax holiday; energy-efficient products.

4 (a) No tax is imposed under this Act upon persons engaged
5 in the business of selling at retail energy-efficient products
6 for residential use if those products are purchased during the
7 tax-holiday period, which begins at 12:01 a.m. on February 1,
8 2006 and ends at 11:59 p.m. on April 30, 2006.

9 For the purposes of this Section, "energy-efficient
10 products" means products that are entitled to and carry the
11 Energy Star label under the Energy Star program administered by
12 the federal government, such as windows, insulation, roof
13 products, residential lamps and lights, transformers, heating
14 and cooling equipment, clothes washers, dehumidifiers,
15 dishwashers, refrigerators, freezers, room air conditioners,
16 ceiling fans, programmable thermostats, ventilating fans, and
17 compact fluorescent bulbs.

18 (b) Any discount, coupon, or other credit offered either by
19 the retailer or by a vendor of the retailer to reduce the final
20 price to the customer shall be taken into account in
21 determining the selling price of the item for purposes of this
22 tax holiday. For purposes of this Section, a "purchase" occurs
23 during the tax holiday if the buyer places an order and pays
24 the purchase price by cash or credit during the tax holiday
25 period regardless of whether the delivery of the item occurs
26 after the tax holiday period.

27 (c) Each unit of local government that imposes a use tax
28 may, by resolution or ordinance, declare a tax holiday with
29 respect to its tax for the same items, during the same periods,
30 and under the same conditions and is encouraged to do so.

31 Section 99. Effective date. This Act takes effect upon
32 becoming law.